

March 29, 2013

Montgomery County Council Office Building 100 Maryland Avenue Rockville, MD 20850

Dear Council President Navarro, NAVC

Given the extraordinary number of infrastructure upgrades needed across the region and the prohibitively expensive investments required to address them, the City of Gaithersburg believes that when partnership opportunities arise, our utility operators should embrace them. Recent water main eruptions around Montgomery County have provided reminders of the need to update our region's aging water infrastructure systems. Beyond the general inconveniences that invariably accompany these breaks, the associated repair and replacement costs coupled with the risks to public safety underscore the impact that aging water and wastewater infrastructure has on our communities. These issues are currently being identified as the Crown project develops.

As you are aware, the Crown project is a significant mixed-use development under construction within the City of Gaithersburg. The City has been notified by the developer, Westbrook Partners, that a significant part of the project will be adversely impacted without the replacement of two defective and potentially dangerous WSSC water mains. Because of the potential danger posed by the water mains, we understand that WSSC is requiring Westbrook not only to dedicate additional 80 foot right-of-way easements on either side of the water mains, but also mandating additional costly design criteria for new homes constructed within 200 feet of the mains so that they can withstand blast conditions. These additional requirements will impact and prevent development, resulting in a significant economic impact to the developer (estimated to be around \$25 million by Westbrook), the County, and to our municipality. In the interests of economic development and public safety, we believe that these two water mains should be replaced.

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Westbrook Partners is willing to fund and execute the replacement of these mains at an estimated cost of \$3 million. The City is asking the County Council to join us in encouraging WSSC in finding a compromise that reimburses the developer for these aging infrastructure replacements, either through System Development Charge Credits or the like. The issues identified are not limited to the Crown site; these water transmission mains traverse the County's Life Sciences Center as well. By WSSC developing an equitable compromise, the private sector will continue to invest in projects with benefits that extend well beyond the developers' property lines, and WSSC will be able to channel its resources to other problem locations around the region.

Sincerely,

Sidney A. Katz

Mayor

Cc: Council Member Phil Andrews

Council Member Roger Berliner

Council Member Marc Elrich

Council Member Valerie Ervin

Council Member Nancy Floreen

Council Member George Leventhal

Council Member Craig Rice

Council Member Hans Riemer

Gaithersburg City Council

City Manager Tony Tomasello